



Press release from Jan de Beer, email [jan@jandebeer.co.za](mailto:jan@jandebeer.co.za):

## S.A. COATINGS SECTOR HEAVILY HIT BY LOAD SHEDDING, SAPMA WARNS

The South African coatings sector are being severely affected by load shedding with massive unexpected burdens heaped on already high production costs, says Tara Benn, Executive Director of the SA Paint Manufacturing Association (SAPMA).

Benn says manufacturing members are losing millions of rands having to work around power outages in production, especially for energy-intense chemical reaction paint products which require a continuous process for the dispersion phase of the manufacturing process.

“In addition to planned load shedding, sudden outages or related substation failures are major problems. If a production batch is spoiled by sudden loss of electricity, the results can be catastrophic and there are now increasing cases of end-products having to be dumped or regarded as sub-standard because of load shedding occurring without prior notice. There are also reports of new clauses in insurance which would exempt the insurers from damages to goods resulting from issues related to the power grid.

“SAPMA members have had to add diesel costs, provision of inverters to home-based sales staff, and additional costs of back-up systems for their servers to running expenses. Our members feel they cannot pass these costs on to customers in such a depressed economy. Costs of raw materials and other expenses have already escalated due to the rand’s depreciation against all major currencies.”

Benn says SAPMA members’ customers who cannot afford generators just send staff home if they know that their schedule is in the afternoon or start later if in the morning, resulting in short pay for employees. “We are also seeing slower arrival of goods from warehouses at ports which is seriously delaying availability of goods. Load shedding is also affecting ancillary industries with customers responsible for the supplying of coatings for the food and beverage industry, as well as drum coatings, to name just a few, experiencing escalating shortages.

“Several manufacturers have placed their staff on short time thereby reducing their employees’ earning. Work shifts have been affected and, because of such adjustments, night shifts are now becoming the norm in a company previously only doing day shifts. This is placing a negative impact on staff’s personal lives in terms of transport for school children and similar domestic challenges,” she added.

SAPMA members’ hardware stores are being affected by load shedding consequences such as late arrival of stocks. “It can take delivery vehicles hours longer to reach their destination when traffic lights are not working during load shedding. The DIY stores are already having to cope with a much lower consumer spending than before the COVID epidemic,” she adds.

**[www.sapma.org.za](http://www.sapma.org.za)**

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